

Replacement of Data from IHS With Those from HPDI

The EIA-914 estimation methodology published in September 2005 used data from IHS, Inc., as a source for calibration of historical monthly production data. As of August 2006, these data have been replaced with data from HPDI, LLC.

EIA does not have access to both the full IHS and the HPDI data for an overlap period sufficiently long to allow comprehensive model estimation under both data sources and analysis of the effects on the model estimates of the change from IHS to HPDI. Comparisons of IHS and HPDI data series, however, reveal no evidence of any large or systematic differences between the raw IHS and HPDI estimates that serve as model inputs.

Figure 1 illustrates the overall order of magnitude of the differences between Texas production estimates based on data from the two sources and the State's final production data. The State data and those from HPDI are virtually identical and appear as an overlaid line. The two vendors' series clearly track one another very closely over most of this period. Comparisons of production estimates for Oklahoma (Figure 2), while indicating a large degree of uncertainty in all data sources, do not indicate a systematic bias in the HPDI estimates relative to those from IHS.

Apart from such known data quality issues, however, descriptive analyses performed for other States and regions (not shown) further support the conclusion that the data from the two series provide very comparable results. Therefore, the change from IHS to HPDI data will most likely not have any important effects on the model estimates of natural gas production or on any longitudinal analyses of these model estimates.

Figure 1. Estimates of Texas Gross Production

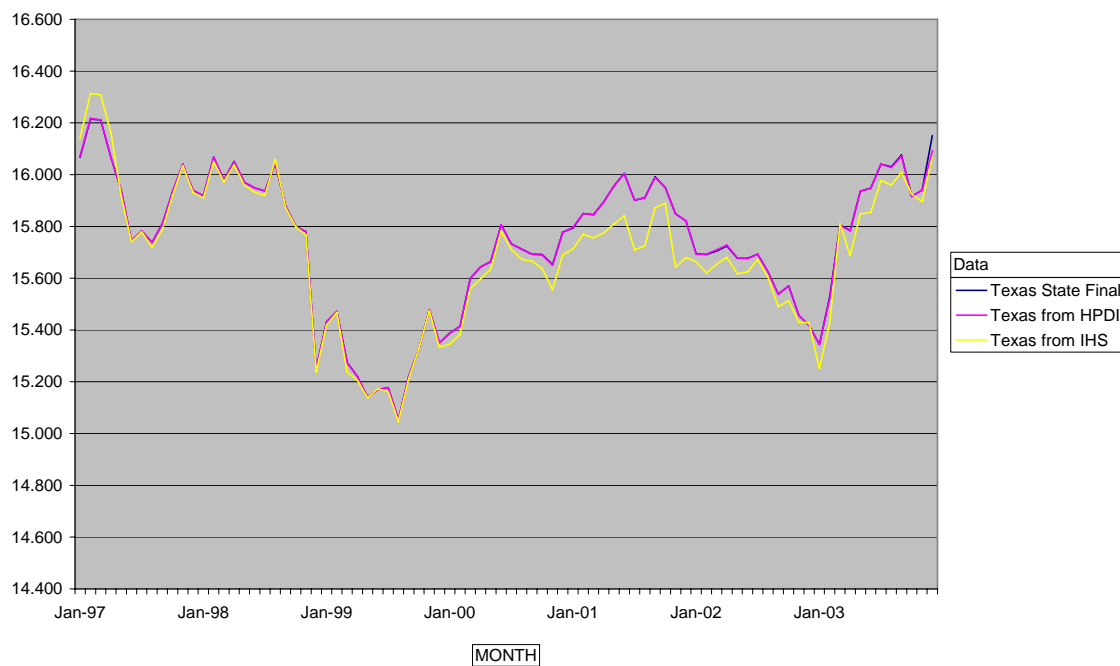


Figure 2. Oklahoma Production Estimates

